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ANNUAL REPORT OF THE ADMINISTRATOR FOR 1997 AND RELATED MATTERS

Addendum

PROGRAMME OF ASSISTANCE TO THE PALESTINIAN PEOPLE

SUMMARY

The present report contains an account of the activities of the UNDP Programme of Assistance to the Palestinian People (PAPP) during 1997 and includes chapters on the overall situation in the occupied Palestinian territory, the PAPP programme strategy and delivery, the financial situation of PAPP, operational highlights and the role of UNDP in coordination. A recommendation for Executive Board action is contained in chapter VI.

CONTENTS

		Paragraphs	Page
I.	OVERALL SITUATION	1 - 3	2
II.	PROGRAMME STRATEGY AND DELIVERY	4 - 6	2
III.	FINANCIAL SITUATION	7 - 10	3
IV.	OPERATIONAL HIGHLIGHTS	11 - 26	4
V.	UNDP ROLE IN COORDINATION	27 - 29	7
VI.	EXECUTIVE BOARD ACTION	30	8

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I. OVERALL SITUATION

1. The year 1997 was characterized largely by a prolonged stalemate in the Middle East peace process. An agreement between Israel and the Palestine Liberation Organization on the further redeployment of Israeli defence forces from the West Bank has still not been reached and final status negotiations, which were to have begun in mid-1996, have not yet started. At the time of writing, in early 1998, indications are that the stalemate in the peace process, with its consequent atmosphere of uncertainty and instability, may continue.

2. The economic situation in the occupied Palestinian territory in 1997, while mildly improved over the previous year of intense economic hardship, was nevertheless disappointing, and some disturbing economic trends emerged. While the average unemployment rate decreased slightly in 1997 to 30.1 per cent from 32.6 per cent in 1996, real average monthly wages fell by 5.8 per cent and real monthly household expenditures fell by 8.8 per cent in 1997 compared to 1996.

3. In terms of the labour situation in the occupied Palestinian territory, the Office of the United Nations Special Coordinator in the Occupied Territories (UNSCO) estimates that the average number of workers from the occupied Palestinian territory employed in Israel increased from 23,000 workers per working day in 1996 to 35,000 in 1997, an increase due primarily to the fact that the number of days of closure (days on which workers are denied entry to Israel for security reasons) declined from 82 days in 1996 (29 per cent of all working days) to 57 days in 1997 (20 per cent of all working days).

II. PROGRAMME STRATEGY AND DELIVERY

4. The UNDP Programme of Assistance to the Palestinian People (PAPP) programming strategy is based upon two objectives: (a) to utilize UNDP/PAPP limited core resources in a catalytic manner, so as to launch high-priority capacity-building programmes that are subsequently sustained and expanded largely through voluntary bilateral donor contributions; and (b) to ensure the sustainability of the capacity-building programmes through the utilization of joint implementation structures, whereby the long-term viability and local accountability of Palestinian Authority counterparts and other local implementation partners is combined with the technical, supervisory and managerial expertise of UNDP/PAPP, allowing for a flexible approach through which counterpart capacity-building and high delivery levels can be achieved simultaneously.

5. UNDP/PAPP programming activities are also based upon the development strategies and priorities outlined by the institutions of the Palestinian Authority. Many of these priorities have been elaborated only recently and are now reflected in the Palestinian Development Plan (1998-2000). In recognition of the important function that the Plan would have in directing both domestic and international development efforts to commonly recognized priorities, UNDP/PAPP contributed to the formulation of the Palestinian Development Plan, both at the technical level, by helping line ministries and institutions to formulate sectoral strategies and priorities, and at the finalization stage, by

helping the Ministry of Planning and International Cooperation to harmonize and unify sectoral strategies and priorities.

6. UNDP/PAPP has recently updated and published its programme framework, which reflects the programming strategy outlined above and the newly elaborated development priorities of the Palestinian Authority. All of the projects and programmes detailed in the UNDP programme framework (1998-2000) have been included by the Palestinian Authority in the Palestinian Development Plan, either as stand-alone projects or as components of larger programmes, thus reflecting the priority nature of UNDP/PAPP activities in the occupied Palestinian territory and the interest of the Palestinian Authority to continue to utilize UNDP/PAPP implementation capacities in the years ahead.

III. FINANCIAL SITUATION

7. The UNDP/PAPP financial situation, as reflected in the level of its bilateral donor contributions, remained strong in 1997, continuing a pattern established since the launching of the peace process in late 1993. Bilateral donor contributions in 1997 totalled $35 million, compared to $36 million in 1996. Donors to UNDP/PAPP in 1997 included the Governments of Japan ($22 million); Norway ($5.1 million); the United States of America ($3 million); Switzerland ($1.7 million); Sweden ($1.4 million); Italy ($1 million); and the Netherlands ($960,000). In line with its diversifying and expanding portfolio of activities and capacity-building programmes, UNDP/PAPP also negotiated agreements with two new bilateral donors, the Governments of Argentina and Spain, contributions from which were received in early 1998.

8. Total project expenditures in 1997 amounted to $33 million (comprising $31 million of UNDP/PAPP direct expenditures and $2 million of expenditures through agency-executed projects, including projects executed through the United Nations Capital Development Fund (UNCDF), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Volunteers (UNV) programme, the World Trade Organization (WTO), and the United Nations Conference on Trade and Development (UNCTAD). While expenditures were down from the peak level of delivery reached in 1996, this reflected the general downward trend faced by all implementing agencies and the Palestinian Authority last year. In this regard, it should be emphasized that implementation constraints such as periods of prolonged comprehensive closure of the West Bank and Gaza Strip (such as the closure imposed in August and September 1997) as well as the uncertainty and instability caused by the stalemate in the peace process cause considerable concern and disruption for all organizations operating in the occupied Palestinian territory, including UNDP/PAPP. Despite the difficulties of the overall environment, UNDP/PAPP remains one of the largest implementing agencies operating in the occupied Palestinian territory, along with the United Nations Relief and Works Agency (UNRWA), the Palestinian Economic Council for Development and Reconstruction, and the World Bank.

9. In terms of its sources of funding, UNDP/PAPP was allocated $4.0 million of target for resource assignment from the core (TRAC) line 1.1.3 resources in mid-1997. By early 1998, those core resources were fully programmed and an additional allocation of TRAC 1.1.3 resources during 1998 will be necessary to

continue the fundamental UNDP/PAPP programming strategy. Other sources of funding in 1997 included contributions from the United Nations Population Fund, UNCDF, the Arab Gulf Programme for the United Nations Development Organizations, the Global Environment Facility (GEF), the regional programme of the UNDP Regional Bureau for the Arab States, the Japan Women-in-Development Fund, and the UNDP Poverty Strategies Initiative.

10. As in previous years, UNDP/PAPP continued to be largely self-financed in 1997, with 70 per cent of the administrative costs of maintaining the UNDP/PAPP offices and staff in the occupied Palestinian territory having been met through the income earned by UNDP/PAPP in the implementation of donor-funded projects. UNDP/PAPP human resource capacity, which consists largely of highly skilled Palestinian technical, engineering and programming professionals, was enhanced significantly through support provided by a number of bilateral donors, namely, the Governments of Denmark, France, Japan, the Netherlands, Sweden and Switzerland, through the Junior Professional Officer Programme.

IV. OPERATIONAL HIGHLIGHTS

11. UNDP/PAPP continued its efforts in 1997 to advocate sustainable human development by supporting the establishment of the Palestinian Human Development Institute, affiliated with Bir Zeit University. The Institute shares the UNDP/PAPP aim of advocating sustainable human development approaches throughout all levels of the society - the public sector, academic circles, the non-governmental sector and civil society.

12. In a related policy initiative, UNDP/PAPP launched a project in 1997 to help to establish the Palestinian Poverty Commission. Based on preparatory work undertaken in 1997, UNDP/PAPP and the Ministry of Planning and International Cooperation will be publishing the first Palestinian poverty profile, which will determine the official poverty line, based upon the range of factors that characterize the multifaceted conditions of poverty in the occupied Palestinian territory. The poverty profile will serve to increase the Palestinian Authority's commitment to poverty eradication and to identifying how best to address it.

13. UNDP/PAPP continued its support to several gender-in-development initiatives to promote the formulation and implementation of gender-sensitive policies by Palestinian policy makers, planning bodies and civil society organizations. Activities undertaken by UNDP/PAPP during 1997 included: continued support for the establishment of a Gender Statistics Unit in the Palestinian Central Bureau of Statistics; gender sensitization within the Palestinian education system and in terms of its curricula; the establishment of a Rural Women's Development Centre to serve teenage women who have dropped out of school; support to the Women's Departments of Palestinian Authority ministries; and the establishment of an Interministerial Committee for the Advancement of Women.

14. The main highlights in 1997 of the UNDP/PAPP Infrastructure and Environment Programme included: the development of a multifaceted Environment Support Programme in response to new developments in the occupied Palestinian territory;

continued support in the water and sanitation sector as well as in the area of social infrastructure, combining infrastructure rehabilitation and construction activities with institutional development support and capacity-building initiatives for counterpart Palestinian institutions; and the continuation of employment-generation activities, focusing primarily on urgently needed municipal facilities.

15. Throughout 1997 UNDP/PAPP supported Palestinian efforts to build local capacities in environment management and conservation. UNDP/PAPP provided essential support for the initiation of the GEF programme in the occupied Palestinian territory, marking the first time that the Palestinian Authority has been eligible to participate in regional GEF projects with neighbouring countries. In conjunction with GEF, environment programmes were developed throughout 1997 in biodiversity conservation, energy conservation, and the preservation of wetlands. UNDP/PAPP also formulated a support programme involving community participation for the Palestinian Environment Authority, implementation of which will begin in early 1998.

16. The UNDP/PAPP Employment Generation Programme in 1997 focused primarily on municipal development, including the rehabilitation and renovation of social infrastructure facilities such as youth and women's centres, community centres, playgrounds, and health clinics throughout the Gaza Strip; the renovation of main roads in Gaza City; the development of Palestine Square; and the development and upgrading of municipal facilities in Khan Younis. Several employment-generating activities were also undertaken jointly with UNRWA, including the construction and rehabilitation of parks and community centres in UNRWA refugee camps. The technical and managerial capacities of many municipalities and local institutions involved in the rehabilitation works were significantly enhanced.

17. In the area of community development, in 1997, UNDP/PAPP launched a project in the Gaza Strip that aims to support young women and men suffering from social and economic hardship. Project implementation is facilitated through a newly established Community Development Unit, a Palestinian organization that selects appropriate community-based institutions for project implementation and provides technical support and funding for their activities. To date, 11 local organizations have benefited from the project, which involves a wide range of community activities, including vocational and adult education training courses, community health and environment awareness campaigns, and cultural and educational workshops on gender and self-reliance. The project is intended to serve as a starting point for the establishment of an integrated community development programme throughout the occupied Palestinian territory.

18. Another important new activity launched by UNDP/PAPP in 1997 was the joint construction with the Palestinian Economic Council for Reconstruction and Development of a Museum of Traditional Arts in Gaza, using only locally available construction materials (adobe, locally made pottery and porcelain, etc.) as a practical demonstration of a low-cost method of building construction. The pilot project is intended to demonstrate that such construction methods are not only viable, but also can make residential housing more affordable. The construction methods used are highly labour-intensive,

with over 70 per cent of construction costs accounted for by skilled and unskilled labour.

19. Under its Agricultural Development Programme, UNDP/PAPP extended its relationship with the Ministry of Agriculture and increased the involvement of non-governmental organizations. Activities undertaken by UNDP/PAPP focused on policy development and planning, research, technical assistance and training for farmers, and land development through labour-based methods. These programmes were implemented in cooperation with FAO and the International Service for National Agricultural Research. In parallel, comprehensive programmes were developed in the fields of brucellosis control, in coordination with the World Health Organization, and in rangeland rehabilitation, in conjunction with the International Center for Agricultural Research in Dry Areas. These two programmes will be launched in early 1998.

20. The second phase of the Local Rural Development Programme (LRDP), a partnership programme with the Palestinian Authority, UNCDF and the donor community, was launched in 1997. Originally conceived as a demonstration programme in decentralized planning and financing for rural development, LRDP is now integrated within the Ministry of Local Government and has expanded its geographical coverage in the West Bank. Plans are under way to expand the programme further to new areas in the West Bank and Gaza. Like other PAPP activities, LRDP has been identified by the Palestinian Authority as one of its priority development programmes in the Palestinian Development Plan.

21. In the area of tourism, UNDP/PAPP provided support to the Ministry of Tourism and Antiquities, focusing on institutional and human resources capacity-building and marketing, as well as providing start-up and advisory support to the Bethlehem 2000 Steering Committee, where a range of activities related to the forthcoming Bethlehem 2000 event were undertaken. In 1997, projects were initiated to rehabilitate areas of the old city of Bethlehem, including the main streets and market areas that will be visited by tourists, and to upgrade the main road leading to the city centre.

22. In the area of economic development, UNDP/PAPP complemented its large-scale programmes in agriculture and tourism (two pillars of the Palestinian economy) through the continuation, in association with UNCTAD, of support to the Ministry of Industry for a feasibility study for the Nablus Industrial Estate. In addition, UNDP/PAPP launched a programme in 1997 to support the Sewing Factory Association in Gaza, in order to bolster the garment industry.

23. Achievements were also made in 1997 in the UNDP/PAPP Governance and Public Administration Support Programme. Through this Programme, formulated with support from the UNDP Management Development and Governance Division, a combination of training, technical assistance and start-up support was provided to four Palestinian Authority institutions: the General Control Institution, which conducts financial audits of all ministries and has an essential role in promoting accountability and transparency within the Palestinian Administration; the Cabinet Secretariat Office, which provides secretariat support to the weekly meetings of the Cabinet of Palestinian Authority Ministers; the General Personnel Council, which administers personnel policies; and the National Centre for Public Administration, which implements training programmes for civil

servants in management and administration. Together these institutions play an important role in fostering good governance practices throughout the Palestinian Authority.

24. The UNDP/PAPP Transfer of Knowledge through Expatriate Nationals (TOKTEN) Palestinian Programme, through which skilled expatriate Palestinian professionals undertake technical advisory missions for Palestinian Authority ministries, universities and other institutions, had more than 110 participants in some 35 different Palestinian ministries and institutions. TOKTEN has become one of the primary means by which UNDP provides technical expertise and capacity-building to Palestinian institutions, and has the advantage of fostering closer ties between Palestinians living in the occupied Palestinian territory and the expatriate Palestinian community.

25. Two institution-building projects carried out by UNDP/PAPP were finalized during 1997. The Government Computer Centre premises in Gaza was completed in early 1997, and support was provided in terms of equipment and training for the Palestinian Civil Defence Department.

26. The UNV programme continued to expand its activities in 1997, bringing the total number of UNVs serving in the occupied Palestinian territory to 26. The recruitment of national volunteers stands at 12 volunteers and is growing. UNVs support youth, environmental protection, gender, and peace promotion activities, among others, through a network of youth and women's centres. International UNV specialists are also posted in Palestinian Authority ministries to assist in capacity-building. The UNV White Helmets Initiative involves both national and international volunteers working in teams to maximize transfer of knowledge in sports development, urban planning and geographic information systems.

V. UNDP ROLE IN COORDINATION

27. UNDP/PAPP continued to support UNSCO, which is mandated by the United Nations Secretary-General to facilitate coordination among United Nations programmes and organizations operating in the occupied Palestinian territory. UNDP/PAPP support to UNSCO includes serving as secretariat for several of the sectoral working groups established under the aegis of the Local Aid Coordination Committee to promote and coordinate donor activities, including those in the areas of agriculture, tourism, private sector development and employment generation.

28. In addition to utilizing United Nations agency expertise directly through the execution of selected UNDP/PAPP projects by FAO, WTO, and UNCTAD, UNDP/PAPP cooperates closely with the activities and programmes of other United Nations organizations operating in the occupied Palestinian territory. The close working relationship established between UNDP/PAPP and UNRWA in the large-scale Employment Generation Programme is indicative of such coordinated efforts. UNDP/PAPP, in cooperation with UNSCO, also convenes the gender task force meeting of United Nations agencies and programmes. In addition, due to the particular circumstances of the occupied Palestinian territory, UNDP/PAPP provides administrative and logistical support (such as obtaining visas and

permits, customs clearance and value added tax reimbursements) for 14 United Nations organizations operating in the occupied Palestinian territory.

29. In cooperation with UNSCO, UNDP/PAPP expanded its efforts to build Palestinian capacities in coordination and development planning in 1997 through its support to the Ministry of Planning and International Cooperation in the formulation of the Palestinian Development Plan, which was considered by the donor community in December 1997 at the World Bank Consultative Group on the West Bank and Gaza. UNDP/PAPP provided six local and expatriate Palestinian experts to assist the Ministry in formulating sectoral development strategies and priority investment projects for the Palestinian Development Plan. Further support to the Palestinian Authority in building development planning and coordination capacities was approved through TRAC 1.1.3 funding for the development of strategic frameworks for cooperation.

VI. EXECUTIVE BOARD ACTION

30. The Executive Board may wish to:

1. Take note of the document DP/1998/17/Add.4;

2. Encourage the international donor community to expand its level of contributions to the UNDP Programme of Assistance to the Palestinian People and to continue to take full advantage of its implementation and delivery capacities, particularly in the context of the large-scale capacity-building programmes that have been formulated with the Palestinian Authority in such areas as human development, agriculture, employment generation, tourism development, rural development, and governance and public administration.

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Addendum

UNITED NATIONS SYSTEM-WIDE SPECIAL INITIATIVE ON AFRICA: PROGRESS REPORT

CONTENTS

		Paragraphs	Page
I.	BACKGROUND	1 - 3	2
II.	IMPLEMENTATION	4 - 18	2
III.	THE WAY FORWARD	19 - 22	7

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I. BACKGROUND

A. Rationale and goals of the United Nations System-wide Special Initiative on Africa

1. The United Nations System-wide Special Initiative on Africa (UNSIA) was designed to rationalize United Nations assistance to Africa, including that of the Bretton Woods institutions, through more effective coordination, synergistic actions, capacity-building and by facilitating genuine partnerships.

2. The successful adoption of political and economic reforms in a growing number of countries increased the mood of optimism. Despite encouraging results however, poverty remains pervasive. The spread of HIV/AIDS, displacement from civil conflicts, disruption of livelihoods, prolongation of human suffering and scarce resources for development, all contribute to the apparent entrapment in poverty.

3. UNSIA was launched to help Africa to help itself and to ensure that the commitment of the United Nations system to support Africa's development efforts was sustained in a comprehensive and coherent manner. A number of problems were associated with the launch. First, early scepticism arose from claims of insufficient consultation throughout Africa and among major donor partners, hence African ownership was doubted. Second, the $25 billion announcement at the time of the launch sent mixed messages as to how the Special Initiative would generate additional resources, particularly in light of declining official development assistance and scarce investment flows. Third, in the absence of a clear intergovernmental legislative framework, misperceptions that the UNSIA was conceived to undermine the United Nations New Agenda for the Development of Africa (UN-NADAF) detracted further from the credibility of the new Initiative. In the years since the launch, therefore, an effort has been made at the implementation stage to overcome these difficulties, recognizing, however, that a 10-year process must be framed in reality.

II. IMPLEMENTATION

A. African leadership and ownership

4. In addressing the root causes of problems facing the continent, UNSIA seeks to reinforce visionary African leadership, to empower people, to revalidate the African development priorities set out in the 1995 Cairo Agenda for Action and, ultimately, to build sustainable partnerships. In the context of the Special Initiative, country-driven strategies therefore become the primary basis for external assistance.

5. The joint launch of UNSIA in 1996, involving the Chairman and the Secretary-General of the Organization of African Unity (OAU), the Heads of State of Ghana and Senegal, the Vice-President of Kenya as well as the support of other senior Africans at similar events on the continent, were a signal demonstration of African ownership. The foundation of a new partnership between Africa and the United Nations system was in early construction. One year later,

African leadership support for UNSIA was formally reaffirmed, first at the level of the OAU Annual Conference of Foreign Ministers and subsequently at the June 1997 OAU Summit, by African Heads of State and Government in Harare, Zimbabwe. The need for the involvement of civil society organizations (CSOs) and non-governmental organizations (NGOs) to deepen the national ownership of UNSIA is recognized. While progress to date has been limited, efforts are being made to increase CSO/NGO advocacy for constituency-building and for the strengthening of partnerships in the implementation of UNSIA priority areas.

6. With regard to sector priorities, Ministers of Education, as part of the Association for the Development of Education in Africa, endorsed the UNSIA framework and assumed leadership for its timely implementation. Similarly, Ministers of Health reviewed the thrust of UNSIA and confirmed its consistency with their agenda to undertake health-sector reform, rendering services more accessible and affordable. Both ministerial groupings identified capacity-building and broadening of consensus as crucial for effective implementation of the Special Initiative.

7. With the formal endorsement of UNSIA as the implementation mechanism of UN-NADAF at the thirty-seventh session of the Committee for Programme and Coordination (CPC), African missions to the United Nations are becoming more supportive. That decision, reflected in the report of CPC at its thirty-seventh session and endorsed by the General Assembly, provides the intergovernmental underpinning needed to enhance collaboration between the Office of the Special Coordinator for Africa and the Least Developed Countries and the UNSIA secretariat. CPC also recommended that regional cooperation and integration and economic diversification should be incorporated into UNSIA programme priorities. Discussions are under way between both organizations on how best to incorporate these activities within a joint programme of work, already in place for other priority sectors.

B. Sustainability of the commitment of the United Nations system

8. The second goal of the Special Initiative is to honour the commitment of the United Nations to support the continent's development efforts as reflected in its own identified priority areas, through appropriate goal-oriented country and regional programmes around which true partnerships between Africa and the international community can be built.

9. The March 1996 launch brought together all Executive Heads of the United Nations specialized agencies and organizations, including the Bretton Woods institutions, to pledge their commitment to Africa. The collaborative arrangements among United Nations specialized agencies were defined during the fourth meeting of the Administrative Committee on Coordination (ACC) steering committee, held in Nairobi in April 1996. The best illustrations of progress are demonstrated in countries where government policies and strategies are clear and in those sectors where coordinating agencies have provided creative and determined leadership:

(a) World Bank overall commitment to UNSIA and collaborative leadership with the United Nations Educational, Scientific and Cultural Organization, the

United Nations Population Fund, the United Nations Children's Fund and the World Health Organization of cluster coordination in education and health have resulted in greater programme coordination, holding out the promise for additional resources. Work plans for 15 countries with low enrolment rates at primary education levels are being finalized. This will pave the way for tangible progress towards dramatic improvement of enrolment rates in those nations;

(b) Economic Commission for Africa (ECA) and UNDP leadership in governance is aimed at improving coordination arrangements and reinforcing resource mobilization strategies for those countries that are participating in the annual Africa Governance Forum. Fourteen countries participated in the first Forum in Addis Ababa in July 1997 and another 16 are expected to attend the next Forum in mid-1998. The Governments of Norway and Switzerland have already pledged their support for the organization of the Forum. The European Commission and the Government of the Netherlands are considering the provision of additional funding;

(c) ECA leadership in the priority area Harnessing Information Technology for Development (HITD) has resulted in agreement that of the African Information Society Initiative (AISI) becomes the implementation framework for HITD. With greater awareness, utilization of information technology, and Internet connectivity, Africa is being prepared to take advantage of the information revolution and to cope with many of the challenges of globalization;

(d) The International Monetary Fund and World Bank association of the Highly-Indebted Poor Countries (HIPC) initiative with UNSIA creates an added forum for discussing the issues surrounding Africa's debt problem;

(e) United Nations Industrial Development Organization support for the Alliance for Africa's Industrialization, whose Plan of Action was endorsed by the Conference of African Ministers in Ghana in June 1997, further strengthened the integration of this priority sector within UNSIA, an unambiguous commitment to partnership in Africa.

10. With the clarification that all African countries are entitled to participate in the Special Initiative, regardless of their stage of development, resources for upstream capacity-building activities are now becoming available. Cluster consultations and two technical working group meetings in Addis Ababa (December 1996) and in New York (September 1997), have made more explicit the extent to which policy and programme impediments need to be overcome before countries can begin to access resource flows from sector investment programmes. Resources from Norwegian bilateral trust funds managed by the World Bank and UNDP and from the UNDP Support for Policy and Programme Development, are now becoming important sources for addressing the upstream capacity-building needs of many African countries, facilitating the sharing of experience and promoting regional activities. Countries with low enrolment rates in primary education will be the first beneficiaries of these funds. Similar arrangements are being examined for the health sector.

11. United Nations system delivery on its commitment to support the Special Initiative has been somewhat uneven. Information from various lead and

cooperating agencies on the progress of implementation of some priority areas is neither readily nor regularly available. Cluster consultations, joint work programmes, information exchanges and reporting are therefore of limited value. The goal of identifying synergies and benefiting from the collective efforts of the United Nations system is yet to be fully achieved. The adoption of a common communication and information strategy could assist in meeting these challenges.

C. Donor support

12. Positive signals of donor support for UNSIA were given during the G-7 meeting in Lyon in 1996 and the Tidewater meeting in Japan 1997, as well as in several intergovernmental discussions, including those of CPC in June 1997 and of the Special Session of the Security Council on Africa in September 1997. Further efforts are being pursued to translate these signals into concrete actions linking the Special Initiative with other initiatives, such as the Tokyo International Conferences on African Development (TICAD I and II) and the Development Assistance Committee of the Organisation for Economic Cooperation and Development (OECD/DAC). In this way, partnerships with Africa can be considerably enhanced and additional resources mobilized from the donor community in a more coordinated manner.

D. Country level implementation

13. Progress at the country level is widely viewed as the primary measure for determining the added value of UNSIA. United Nations country team retreats in Ethiopia, Ghana, Mozambique and Togo, led by resident coordinators, have been helpful in defining the best ways to harmonize programming instruments and reporting requirements. While the common objective of these retreats was to take stock of the status of UNSIA implementation, discuss and resolve a number of issues and reach agreement and/or expand understanding on how to move forward, each was tailored to the country-specific needs as agreed on by the United Nations country team. Those country-specific objectives included support for capacity-building in the implementation of sector investment programmes in Ethiopia; building broad-based coalitions among the Government, donors, the United Nations system and other partners in support of UNSIA and strengthening the country strategy note (CSN) process in Ghana; and emphasis on the search for a strategy to deepen dialogue with the Government on the finalization of the common country assessment (CCA) in Mozambique. In Togo, the main objective was to agree on the formulation and implementation of a joint United Nations system programme of support to the National Programme for Poverty Eradication. The participation of Governments (Ethiopia and Ghana), donors (Ghana and Mozambique) and NGOs (Ghana), has set the pattern for other retreats being planned. Effective linking of UNSIA to existing or planned, programming instruments was a constant theme raised by participants, for example, the CSN (approved for Ghana, Mozambique and Togo); the CCA and country cooperation framework (in draft for Ethiopia, Ghana and Mozambique), and the United Nations Development Assistance Framework (UNDAF) pilot exercise. Although not specifically linked to UNSIA, greater United Nations country team collaboration is also evident in Côte d'Ivoire, Mali, Senegal and Zimbabwe, in most instances aiming at achieving the goals of the Special Initiative.

14. Support by bilateral donors for primary education in Mozambique and Senegal resulted directly from consultations and agreements in the context of the Special Initiative. In Senegal, with the active collaboration of the United Nations Educational, Scientific and Cultural Organization (UNESCO), UNDP and the World Bank, France is leading the process of programmed support for government efforts to overcome policy impediments. For instance the issue of accommodating the cost of teacher's salaries within the macroeconomic framework is being addressed and will eventually contribute to greater resource flows through sector investment programmes. Similarly, resource mobilization efforts in Mozambique led to a consultation on education organized by UNESCO in Paris. Bilateral donor support was critical in assisting Government efforts to place primary education within a macroeconomic framework. These two examples are now reflected by Zimbabwe, where the Government has requested the Resident Coordinator to liaise with UNESCO for a similar consultation on the education sector strategy, scheduled to be held on 9 and 10 March 1998.

15. Fourteen countries, (Botswana, Cameroon, Ethiopia, Ghana, Madagascar, Malawi, Mali, Mauritius, Mozambique, Senegal, South Africa, Swaziland, Togo, Uganda), presented governance programme frameworks at the first Africa Governance Forum (AGF I) in Addis Ababa, in July 1997. Representatives of civil society, donors, OAU and the United Nations system participated. Sixteen countries (Benin, Burkina Faso, Côte d'Ivoire, Eritrea, Gambia, Ghana, Lesotho, Mauritania, Mali, Namibia, Rwanda, South Africa, Uganda, United Republic of Tanzania, Zambia and Zimbabwe) have been invited to the second Forum (AGF II), planned for June 1998 in Accra. At the time of writing the present report, positive responses had been received from eight countries. While AGF I had a wide-ranging agenda, the 1998 consultation, will focus on the theme of accountability and transparency. In preparation for this event, national consultations are being planned, involving the participation of as many stakeholders as possible. An organizational group including representatives of Ghana, Netherlands, Norway and Switzerland, the Global Coalition for Africa, Transparency International, the World Bank and UNDP (the Management Development and Governance Division and the Regional Bureau for Africa (RBA)) met on 10 February and agreed on plans for AGF II. Civil society organizations with significant experience in accountability and transparency issues will also be invited to participate in AGF II.

E. UNSIA and UNDAF

16. Important goals of UNSIA include the promotion of coordination and collaboration among United Nations specialized agencies, enhanced harmonization in support of national priorities, lowered transaction costs, improved aid effectiveness and increased efficiency in the utilization of United Nations system resources. The new system-wide programming instrument, the United Nations Development Assistance Framework, designed to facilitate reform of the United Nations, though in its early stages, provides an opportunity to strengthen coordination and collaboration at country levels. The synergy between the goals of the Special Initiative and the strategic vision that governs UNDAF need to be fully exploited. Initial work in 10 pilot countries in Africa (Ghana, Kenya, Madagascar, Malawi, Mali, Mozambique, Namibia, Senegal, South Africa, Zimbabwe) provides practical demonstrations of how the United

Nations country team harmonizes its efforts under the collegial leadership of the resident coordinator. Commonality of objectives between UNSIA and UNDAF, such as collaborative programming, is beginning to emerge, but will need to be tested and implemented, particularly in the priority areas of the refocused Special Initiative, bearing in mind major United Nations conference goals.

F. Gender and population mainstreaming

17. Although it was agreed during the fourth meeting of the ACC steering committee that the cross-cutting issues of gender and population should be fully integrated in all UNSIA priority areas, progress has been slow. At the Addis Ababa Technical Working Group meeting, UNFPA called attention to the need for gender-disaggregated data analysis and gender-focused training for realizing gender-related goals. Similarly, the United Nations country team in Ethiopia recommended that gender focal points within each United Nations entity should incorporate UNSIA implementation in their agendas. Discussions involving the UNSIA secretariat, UNIFEM, RBA and the ECA Africa Women's Centre are beginning to show progress and a work plan for gender mainstreaming within UNSIA is being developed. UNFPA presented a preliminary action plan on population to the ACC steering committee at its seventh meeting in March 1998.

G. Communication strategy and information dissemination

18. Reliable information, generated and disseminated at predictable intervals, revealing best practices or approaches to problem solving, will be invaluable in building the credibility of the Special Initiative. A common communication strategy is essential to effective political mobilization, African ownership, donor support and internalization within the United Nations system. All stakeholders will need to be fully involved, from conceptual stages through implementation, taking full advantage of relevant information technology. A newsletter, periodic coverage in Africa Recovery, establishing and maintaining UNSIA-specific web sites are important elements of this communication strategy.

III. THE WAY FORWARD

19. On 9 February 1998, the UNSIA secretariat organized a retreat, co-chaired by the Administrator and the ECA Executive Secretary, to measure progress and put forward recommendations to the spring session of ACC and the seventh ACC Steering Committee meeting. The retreat recommended that the Initiative be refocused around those activities that meet identifiable criteria, such as demonstrable results attributable to UNSIA; the building of ambitious and substantive partnerships revolving around national leadership and ownership; demand-driven activities; effective United Nations system support at country levels; and creative and dedicated leadership of coordinating agencies. Based on these criteria and after careful review of progress achieved, the Initiative is being refocused around education, health, governance, harnessing information technology for development, gender and population. Other equally important activities, such as food security, trade, poverty, and debt will need to be monitored for evidence of systemic collaborative results.

20. Political mobilization for the new focus aims at greater African advocacy, including that of Heads of States, Ministers and representatives of civil society. Mobilization of the heads of United Nations bodies, under the leadership of the Secretary-General, becomes more crucial in demonstrating unequivocal support for the UNSIA framework. This will have a positive effect on resource flows for Africa.

21. UNDP involvement and support to UNSIA is critical for its sustainability on several counts. As co-chair of the ACC Steering Committee and Chairperson of the United Nations Development Group, the Administrator directs policy coordination, oversees implementation, reports to ACC and ensures that the resident coordinator system operates effectively in bringing all facets of United Nations system activity at the country level into a coherent framework. UNDP performs the lead role in coordination of UNSIA priority sectors of governance and sustainable livelihoods for environmentally marginal areas. At the same time its support as a cooperating partner in poverty eradication, education, health, trade, debt, water, food security, South-South cooperation and information technology for development are well reflected in programme country activities and at the regional level. The UNSIA secretariat operates through two branches, linked respectively to ECA and to RBA. Funding for the secretariat is provided entirely by the UNDP regional programme for Africa and, in that regard, faces financial constraints currently evident within UNDP. Discussions are under way within the ACC Steering Committee framework, exploring how best to expand the outreach of the UNSIA secretariat, either by direct funding from bilateral sources or through a network of United Nations system focal points.

22. The Administrator will provide an oral report to the Executive Board on the details of the UNSIA implementation plan, including the outcome of the seventh meeting of the ACC Steering Committee, during the current session of the Board.

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Annual report of the Administrator

Reports of the Joint Inspection Unit

1. In 1997, UNDP contributed to the production of six reports of the Joint Inspection Unit (JIU). Final reports were submitted for comments from UNDP for onward transmission through the Administrative Committee on Coordination. In several cases, the JIU requested UNDP to bring reports to the attention of the UNDP/UNFPA Executive Board. Copies of JIU reports referred to in the present document are available from the Executive Board secretariat upon request.

2. The present report summarizes the general scope of the JIU reports and highlights recommendations of particular interest to UNDP, noting the comments made by UNDP in reaction to the final reports.

Strengthening field representation of the United Nations system (JIU/REP/97/1)

3. The report analyses the significant expansion in the number of field offices of the United Nations system, in particular the recent surge in emergency field representation and the resultant rise in the number of representatives and staff and expenditures. The thesis of the report is that more work is required to improve field representation and its stated objective is to promote a more unified, and not necessarily a unitary, United Nations force in support of programme countries in their efforts at capacity-building, using available resources effectively and economically. The review focuses on operational activities and hence is of primary interest to UNDP. It should be noted that the report was sent to all Executive Heads of JIU participating organizations on 12 March 1997, just prior to the announcement of the Track One reforms by the Secretary-General.

4. UNDP supported recommendations on unifying representation and harmonizing geographical representation, strengthening thematic groups headed by a lead

agency at country level, and accelerating the establishment or enhancement of common premises. A recommendation for the Secretary-General to designate a single high official at the United Nations Secretariat to be in charge of the resident coordinator system and on other structural aspects of the United Nations Secretariat has been superseded by the recommendations contained in the Secretary-General's Track Two reforms. A recommendation that coordination at the country level be more institutionalized, especially between the United Nations system and the multi-bi community, has been acted upon by UNDP in its capacity-development activities for aid coordination and management.

United Nations publications: enhancing cost-effectiveness in implementing legislative mandates (JIU/REP/97/2)

5. The report covers all United Nations publishing activities, with the aim of producing recommendations that will help to enhance the role of United Nations publications in implementing the mandates of intergovernmental bodies and that will improve the cost-effectiveness of those publishing activities. UNDP contributed data to the table contained in the report. While many of the recommendations are directed to publications issued by the United Nations Secretariat, one recommendation is that all United Nations substantive legislative bodies include a review of publications. Executive Board decision 97/17 on UNDP communication and information policy should be noted in this context. The Board also has before it at the current session the report of the Administrator on the UNDP communication, advocacy and information policy (DP/1998/23).

Execution of humanitarian assistance programmes through implementing partners (JIU/REP/97/3)

6. The report, addressed to UNDP for action, examines the use of voluntary funds earmarked for activities connected with humanitarian assistance, especially regarding proper reporting to Member States on the use of funds for those activities and accountability of implementing partners. UNDP commented that the report took into consideration neither the proposed changes in the UNDP national execution procedures nor the direct execution arrangements approved on a case-by-case basis. Recommendations concerning UNDP include the need for a well-thought-out mechanism with regard to choosing implementing partners which guarantees project delivery as agreed in the project document and ensures the accountability of implementing partners. UNDP, when commenting on the initial draft, expressed some reluctance to limit the number of implementing partners, as suggested in the report, as such limitation could reduce incentives to excel in performance or could evoke a negative reaction from donors and/or the private sector.

Coordination at headquarters and field level between United Nations agencies involved in peace-building: an assessment of possibilities (JIU/REP/97/4)

7. The report addresses the need for a serious effort to coordinate peace-building activities between United Nations system organizations and the Bretton Woods institutions. Its thesis is that there must be improved coordination for post-conflict peace-building at the policy, headquarters and system-wide levels.

8. While UNDP is in general agreement with the findings of the JIU report, it was noted that no mention was made of the pilot strategic framework exercise undertaken in Afghanistan under the auspices of the Department of Political Affairs. Many of the UNDP comments on the final report take account of the coordination challenges and the evolving experience in the Afghan context. Moreover, a number of other initiatives besides the strategic framework exercise, that of the support of the resident coordinator, target for resource assignment from the core (TRAC) 1.1.3 resources, and institutional arrangements in UNDP (Operations Support Group and Emergency Response Division) are not considered in the report. The report correctly states that, while United Nations system organizations individually have articulated support for improved coordination, in practice there are no effective mechanisms for coordinating at policy, headquarters and system-wide levels. In an increasingly competitive world, United Nations systems organizations and Bretton Woods institutions, each working in an independent and uncoordinated manner, run the risk of failing to put limited multilateral resources to optimal use and may ultimately expend greater resources in humanitarian, peacekeeping and reconstruction operations in post-conflict situations. While the report covers most of the United Nations entities and mentions the role of bilateral organizations, it does not assign a role to Governments in the coordination of peace-building. UNDP experience in playing an active and often lead role in coordinating peace-building at the country level very clearly demonstrates that government involvement is crucial.

9. With regard to the specific recommendations contained in the report, UNDP agrees that the coordination framework for post-conflict peace-building must be overarching and coherent while also taking note of the unique aspects of each post-conflict situation. UNDP agrees that the framework for coordination must be established during the initial reconstruction planning phases. While agreeing with the recommendation that the Administrative Committee on Coordination (ACC) prepare a statement on the coordination of peace-building activities for the approval of the General Assembly and various legislative bodies, UNDP noted that the complexities of coordination should also be reviewed within the context of the specific mandates given to each organization and the respective policies formulated as a result of the mandates. Coordination among thematic lines could benefit from a review of action ongoing at country level, through the United Nations Development Assistance Framework and strategic framework exercises. UNDP agrees that peacekeeping and peace-building activities should be maintained as distinct and separate operations. In that regard, peace-building, as a sub-set of development activities, should be subject to an enhanced coordination role by the Economic and Social Council. Headquarters level coordination could be improved by regular reviews by the Secretary-General and his cabinet. At the system-wide level, the role of ACC should be expanded to coordinate post-conflict peace-building activities on an

ongoing basis, as should the strengthening of the Inter-Agency Standing Committee. The Bretton Woods institutions should be included from the outset in the planning and reconstruction phases financed by them. Similar agreements with the Bretton Woods institutions to those governing development activities should be expanded to include peace-building activities.

The challenge of outsourcing for the United Nations system (JIU/REP/97/5)

10. The stated objective of the report is to use outsourcing (UNDP uses the term "contracting") to help build into United Nations system organizations continuing incentives for improved effectiveness. Several recommendations contained in the report were directed to the legislative organs of the organizations participating in the JIU, including a request to prepare, for approval at the appropriate level, before their next session, a policy statement committing their organizations to outsourcing as a means for achieving improved cost-effectiveness. The Executive Heads of participating organizations were asked to: (a) prepare administrative rules for implementation of the planned policy on the use of outsourcing; (b) prepare changes in the structure and/or operating procedures of their secretariats to facilitate and encourage the best use of outsourcing; (c) assure that information on the use of outsourcing is comprehensive and transparent in the regular programme budget submissions and performance reports for their organizations; (d) avoid negative impact on staff affected by decisions to outsource specific activities or services, or prepare measures to assure appropriate protection for affected staff members; and (e) submit a report on the implementation of the approved outsourcing policy which would indicate savings and/or benefits achieved, special problems encountered and solutions attempted. The General Assembly was requested to request ACC to develop a system-wide definition of outsourcing; encourage increased sharing among United Nations system organizations of their experiences in outsourcing; and explore possibilities for joint and coordinated actions in regard to the use of outsourcing. UNDP responded to the questionnaire on outsourcing sent at the beginning of the exercise, restricting its response to expenditures from its administrative budget. UNDP commented on the draft of the report, noting that most of the recommendations seemed appropriate in guiding organizations in the use of outsourcing. The risk areas identified in the report were considered valid and of worthwhile consideration by organizations that had already or were considering using outsourcing. It was noted that a number of activities not cited in the report could be considered as outsourcing, such as national execution and execution by non-governmental organizations. Following the issuance of the final version of the report, UNDP would like to note its disagreement with the wording of the conclusion stated in section E, page 7, text which was added after the circulation of the draft. UNDP would also urge the consideration, in future studies of outsourcing of its own example of outsourcing with regard to the internal audit services in three geographical regions, covering 86 UNDP country offices and 45 UNFPA offices.

Training institutions in the United Nations system: programmes and activities (JIU/REP/97/6)

11. The stated objective of the report is to take stock of the United Nations system training institutions and, having analysed their mandates and related aspects, to propose, whenever possible, concrete and practical measures, including networking, designed to coordinate their activities. The JIU recommended an effective and flexible division of labour among United Nations system training and research institutions as well as strengthened cooperation among those institutions. It also recommended that the General Assembly ask ACC to submit to the respective legislative organs of JIU participating organizations an evaluation report on the use and impact of the activities of the training institutions under their jurisdiction; and that the General Assembly and other legislative organs of JIU organizations decide to consider all major training issues under a single item of their respective agendas. UNDP finds the report an interesting contribution to the thinking on the role of training institutions within the framework of United Nations reform. However, the Learning Resources Centre of the UNDP Office of Human Resources has an approach to the concept of training that is somewhat different to that outlined in the JIU report. In the approach of UNDP, training events have to be framed in learning processes that involve several methodologies and an array of resources to support the systematic development of the knowledge, skills and attitudes required by an individual to perform adequately a given task. Training as an isolated event tends to have limited impact on competency development in the view of UNDP. The concept of a culture of continuous learning as advocated in the report has, in the view of UNDP, already become work in progress. UNDP endorses most of the recommendations fully. UNDP believes that a division of labour among training institutions should be based on a solid, joint understanding of the role and place of training in the learning process. Similarly, it is extremely important that in institutionalizing the United Nations Staff College Project, appropriate concepts regarding learning and knowledge management are applied, drawing on the Project's potential to promote continuous learning. UNDP fully endorses the recommendation regarding careful framing of training as one of the many sources of learning. In that regard, there is already close cooperation among members of the Joint Consultative Group on Policy in the area of training and learning in areas such as resident coordinator competencies, the United Nations Development Assistance Framework, induction of junior professional officers, management development and team-building, HIV/AIDS, and sexual harassment. An evaluation report by ACC on training institutions would be welcomed by UNDP.